DOCUMENT RESUME

ED 284 781 SO 018 216

AUTHOR Christensen, Kathy, Ed.
TITLE Administrative and Budgetary Reform of the United Nations. Report of the United Nations Issues Conference (18th, Harriman, NY, February 20-22, 1987).
SPONS AGENCY Stanley Foundation, Muscatine, Iowa.
PUB DATE Feb 87
NOTE 32p.; Photographs may not produce well.
PUB TYPE Collected Works - Conference Proceedings (021) -- Reports - Descriptive (141)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Budgets; Higher Education; *International Organizations; *International Relations; *World Affairs; *World Problems
IDENTIFIERS *United Nations

ABSTRACT

The financial crisis of the United Nations precipitated by the withholding of funds by member countries is addressed. On December 19, 1986, the UN General Assembly adopted a resolution (GA/Res/41/213) containing the elements of a plan for reforming a wide range of United Nations administrative and budgetary practices. The reform process had begun earlier through the work of the Group of High-Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (commonly called the Group of 18 or G-18). The Secretariat and the General Assembly had also laid grounds for finding agreement on reform policy. Some conference participants believe that the current reform program is forcing a more fundamental reexamination of the United Nation's role in the world. Developing countries fear that the press for reform is an attempt to gain political control of the organization to serve the needs of developed nations at the expense of developing nations. The participants agreed that General Assembly Resolution 41/213 does not mark the end of the crisis. The participants also noted that the United Nations no longer enjoys the loyal, nonquestioning constituency it once had, and that the constituency must be rebuilt through performance, not promises. (SM)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED284781

Administrative and Budgetary Reform of the United Nations

18th UN Issues Conference 1987

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
Kathleen Christensen
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

The Stanley Foundation

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

SO018216

About the Conference

United Nations Issues Conferences bring together experienced UN diplomats, Secretariat officials, and outside experts for several days of frank, informal discussions. Participants attend as individuals rather than as representatives of their government or organization, and all discussions are off the record. Initiated in 1970, the conference series originally focused on ways to strengthen UN organizational structures, mechanisms, and procedures. In recent years the topic range has been expanded to include political and development issues as well as procedural matters.

The past year the United Nations has been faced with a crisis concerning management and budget issues. However, the reform process has begun through the work of the G-18 and the General Assembly and the cost-cutting initiatives of the Secretary-General. The 1987 UN Issues Conference convened to "take stock" of the current climate created by these reform measures. How will the recommendations of the G-18 be implemented? How will the modified program planning and budget process be effected? How can the initiatives taken by the Secretary-General be strengthened? This report summarizes the participants' discussion of these questions.

The Stanley Foundation encourages use of this report for educational purposes. Any part of the material may be duplicated with proper acknowledgment. Additional copies are available.

Editor – Kathy Christensen
Photos – Carol Matthews, Kathy Christensen
Production – Anita DeKock

Administrative and Budgetary Reform of the United Nations

Report of the Eighteenth United Nations Issues Conference

Sponsored by
The Stanley Foundation

February 20-22, 1987

ISSN 0743-9180

The Sun Room
Arden House, Harriman, New York

Participants

Conference Chairman
Richard H. Stanley, President, The Stanley Foundation

Rapporteurs
Jeffrey G. Martin, Associate Director, The Stanley Foundation
Anita G. DeKock, Project Assistant, The Stanley Foundation

Participants
Kofi A. Annan, Assistant Secretary-General for Human Resources Management, United Nations

Margaret Joan Anstee, Assistant Secretary-General, Special Coordinator for the Implementation of Reforms Arising From the G-18 Report, Office of the Secretary-General, United Nations

Michael J. Berlin, UN Correspondent, *The Washington Post*

Even Fontaine Ortiz, Chairman, UN Fifth Committee; Counsellor, Permanent Mission of Cuba to the United Nations

J. Richard Foran, Assistant Secretary-General for Financial Services, United Nations

Margaret E. Galey, Staff Consultant, US House Committee on Foreign Affairs

Raymond Gieri, Deputy Controller, Office of Financial Services, United Nations

Luis M. Gomez, Assistant Secretary-General for Programme Planning and Coordination, United Nations

Dennis C. Goodman, Senior Deputy Assistant Secretary for International Organization Affairs, US Department of State

Edward C. Luck, President, United Nations Association of the United States of America

A.H.M. Moniruzzaman, First Secretary, Permanent Mission of the People's Republic of Bangladesh to the United Nations

Conrad S. M. Mselle, Chairman, UN Advisory Committee on Administrative and Budgetary Questions

Andrew R. Murray, Counsellor, Permanent Mission of the United Kingdom to the United Nations

Richard C. Nygard, Counsellor, United States Mission to the United Nations

Oluseye D. Oduyemi, Counsellor, Permanent Mission of Nigeria to the United Nations

James S. Sutterlin, Director, Executive Office of the Secretary-General, United Nations

Makoto Taniguchi, Deputy Permanent Representative of Japan to the United Nations

Tommo Monthe, First Counsellor, Permanent Mission of the Republic of Cameroon to the United Nations

Ado Vaher, Counsellor, Permanent Mission of Canada to the United Nations

Victor A. Vislykh, Counsellor, Permanent Mission of the Union of Soviet Socialist Republics to the United Nations

John L. Washburn, Member, Policy Planning Staff, US Department of State

Stanley Foundation Conference Staff
Kathy Christensen, Publications Coordinator
Carol Matthews, Project Assistant

Affiliations are listed for identification purposes only. Participants attended as individuals rather than as representatives of their government or organization.

Opening Remarks

Richard H. Stanley
President, The Stanley Foundation

Welcome to the Stanley Foundation's 18th Conference on United Nations Issues. Our topic is "Administrative and Budgetary Reform — Taking Stock."

Some of you were with us last year when we examined the financial problems of the United Nations. A number of you were kind enough to tell us that the session was helpful and useful and, after the events of the past twelve months, it seemed to us that another Stanley Foundation conference might contribute positively to progress in this area.

Last February our theme was "Budgetary and Financial Impasse." I find it encouraging that the impasse has been broken since then and that first steps have been taken to repair damage and strengthen the organization. It is also encouraging to read the many statements of delegates and Secretariat officials who have acknowledged that the actions taken so far are only a beginning. The reform process needs to continue. For that reason, too,

I am pleased that you are here because your participation recognizes the ongoing nature of the effort.

Political Dimension

It is more clear than ever before that the financial crisis is the symptom of a more serious political crisis. Because of that the Stanley Foundation is continuing to work on two tracks in its conferences concerning the United Nations. One is this track which focuses on administrative and budgetary reform. The other is a reexamination and rethinking of the purpose and role of the United Nations. Neither makes sense without the other. A conference we held in Quebec last summer approached the latter question, and this coming June we will address it again.

The issues cannot be separated neatly into technical and political ones. We recognize the political element involved in reforming administrative and budgetary practices. In fact, because politics are so much a part of the reform process, the achievements of the Forty-first General Assembly — in response to the report of the Group of 18 — are all the more important. Not only should the actions, if implemented, result in improved operational performance, but there is also political significance to the fact that consensus was reached to change some practices. It is crucial now that we build momentum to continue the progress.

Next Steps

If the work of the G-18 and the General Assembly and the cost-cutting initiatives of the Secretary-General were just the beginning of a reform process, what steps are next? I believe we can best approach that question if we first pause briefly to examine the condition of the organization, reflect on the actions taken in the past year, and explore how we feel about those actions.

Much of the discussion of reform in the past twelve to eighteen months was conducted in angry exchanges. Some of that came out at our meeting a year ago. But many of you had the wisdom to see that just remaining angry would do nothing to help the organization. You moved on to look for solutions, and you helped facilitate adoption of a series of steps which hold the promise of a more efficient institution.

I am sure that there is some residual bad feeling about the withholding of assessments and the threat to withhold further. There is probably difference of opinion on the significance and status of recent and current reform efforts. There is also, doubtless, some uncertainty about what the future holds. But I hope that the predominant feelings are satisfaction and determination

— satisfaction with having found some agreement and determination to go forward.

Conference Objectives

Much yet needs to be done in administrative and budgetary reform. The General Assembly resolution and the G-18 report map out a plan of action. The Secretary-General has said publicly, and to me personally, that he has further reform initiatives of his own in mind.

To create and agree upon a plan is one step; implementation is another. A major part of our task here this weekend is to discuss the implementation of the reforms. Our agenda calls for us to determine what it will take: to implement the recommendations of the G-18; to make operational the modified program planning and budget process approved by the General Assembly; and to strengthen the initiatives taken by the Secretary-General. As we do this, I hope we can work toward four objectives.

First, we should try to identify the most difficult issues. Many of the recommendations can be put in place by the Secretariat — albeit not without a great deal of difficulty in some cases. A few require the active involvement of intergovernmental organs. All of them require a level of political determination and consensus throughout the delegations and within the Secretariat that permits progress. Let's find where that determination and consensus is weakest — where there are still some gaps to be bridged.

Second, having done that, we should seek to create an agenda for future action. Where and when will these issues be discussed or negotiated? Who needs to be involved? How can we keep on a track that moves us ahead? How can we encourage progress?

Third, as we identify and frame issues for further discussion and resolution I hope we can develop a better understanding of one another's perspectives. Understanding the motives and concerns which lie behind positions is the necessary first step to breaking deadlocks. In their famous book, *Getting to Yes*, Harvard University authors and scholars Roger Fisher and William Ury point to the futility of never looking beyond positions when they say, "Compromising between positions is not likely to produce an agreement which will effectively take care of the human needs that led people to adopt those positions." Let us here do more than state positions. Let us begin to explore why various parties hold the positions that they do.

Finally, I hope that our discussions will help build a resolve to make this plan of reform a reality. An attitude of determination to

succeed is necessary to make a plan work. Beyond that, creating a climate in which increased efficiency and the need for continuing reform is recognized offers the best hope for staving off future crises. If there is a regular effort to keep the United Nations administratively and financially responsive to changing world conditions and needs, we stand a better chance of avoiding situations in which member nations feel compelled to resort to coercive tactics.

I know that achieving these four goals at this conference will not be easy. But I am confident that your presence here brings us the capability and commitment to make significant progress.

Conclusion

We are all well aware of the good work that the United Nations has done as well as its potential for doing much more. Reforming administrative and budgetary practices is a part, but not all, that is needed to help realize its potential. It is legitimate to ask, Administrative and budgetary reform — for what purpose? However, unless we address these urgent administrative reform issues, the organization may be in too weak a condition to approach the broader political questions.

The United Nations has been near financial death for the past twelve to eighteen months. An operation has been prescribed to save the patient. Now it is time to carry out that operation. This may appear to be a purely technical and mechanical task, but it is not. For when an operation is performed, doctors may be saving the life of a poet, an artist, a parent, or a leader. In this case a successful operation is needed to save the life of an institution — an institution which embodies mankind's continuing hope for world peace.

SUTTERLIN

Anita DeKock and Jeff Martin, Rapporteurs

Conference Report

Administrative and Budgetary Reform — Taking Stock

On December 19, 1986, the United Nations General Assembly adopted by consensus a resolution (GA/Res/41/213) containing the elements of a plan for reforming a wide range of administrative and budgetary practices of the United Nations. Participants at this conference termed the adoption a "historic event." The historic proportion, however, does not stem from the sense that the content of the resolution is brilliant, uniformly farsighted, or likely to change the course of the world. Rather it gains its status from the fact that any agreement was found at all.

Administrative and budgetary reform of the United Nations has been a vexing problem for decades, but dispute over these issues has escalated to crisis proportions within the past two years. The United Nations has been on the brink of bankruptcy, and shortly before the adoption of the resolution there was widespread despair over the possibility of reaching agreement. Thus the stakes in the negotiations over the resolution were high.

The rapporteurs prepared this report following the conference. It contains their interpretation of the proceedings and is not merely a descriptive, chronological account. Participants neither reviewed nor approved the report, and several were not present for the entire conference. Therefore, it should not be assumed that every participant subscribes to all recommendations, observations, and conclusions.

The issues are contentious because the United Nations is a thoroughly political institution where seemingly technical questions about administrative and budgetary reform carry high political consequences. Therefore, negotiations over these seemingly technical matters are politically important to all 159 member states — each of which is trying to protect its interests. Only through very hard work and detailed discussions was it possible for delegates to reach a delicately balanced compromise.

A year earlier when this same subject was addressed in this conference series with many of the same people present, there was much anxiety about the possibility of making any progress in this area and the serious consequences if there was a failure. In the intervening year, through the work of the Group of High-Level Intergovernmental Experts to Review the Efficiency of the Administrative and Financial Functioning of the United Nations (commonly called the Group of 18 or G-18), the efforts of the Secretariat, and the deliberations of the General Assembly and its subsidiary organs, grounds for agreement were found.

It might be expected that these participants, many of whom have a hand in managing administrative and budgetary questions and who are directly affected by this historic outcome, would be jubilant. However, jubilation does not describe the mood of the participants nor is it in order. This group conveyed a quiet sense of satisfaction at having made progress, a healthy respect for the daunting task of implementing the reforms, and clear commitment to getting on with the task. All recognize that the agreement to reform is only a beginning. But the spirit which permitted the agreement was present at this conference and lends hope to the prospect that implementation will occur.

The Reform Context

The climate in which the reforms have been agreed to and are to be implemented is a vital consideration. Several factors place the reform program into a broad context.

Related Issues

The crisis which provided much of the impetus for the effort to reach agreement on reform proposals is technically or legally a separate matter from reform initiatives. They are separate items on the General Assembly agenda. One is the financial crisis, and the other is administrative and budgetary reform. In reality, however, there is an important relationship between the two subjects.

The financial crisis stems from the withholding of assessed contributions by member states. As 1986 began, the financial re-

serves of the organization had been depleted by the accumulated withholding over a number of years by a group of members who have protested selected UN activities. In 1986 the United States greatly exacerbated the situation by paying only $100 million of its approximately $210 million assessment. The stated reason for much of this new withholding was to pressure the organization into improving its efficiency and reforming what the United States saw as poor administration and a flawed budget process.

The withholding and the threat to further withhold made progress on reform urgent. Though not set forth in any document, it is understood by all involved that the December 1986 agreement and all of the work which preceded it constitute a serious effort on the part of the United Nations to begin a reform process and thereby give cause for the United States to end the withholding.

Participants tacitly accept this connection but are anxious not to formalize it. To publicly acknowledge the connection effectively sanctions use of a tactic which most of the UN community interpret as illegal withholding in order to achieve a political goal. Beyond that there is a real cause for saying that the linkage is not as firm as it first appears. It is necessary for the entire international community to see that there is genuine value in reform. If the reform process is to succeed, it must be good for the United Nations and the world community and not just an exercise intended to appease the United States.

Further, it would be a denial of the complexity of the negotiations to suggest that the United States got everything it set out to achieve. The report of the Group of 18 (which provides most of the specifics of the reform) and the General Assembly resolution (which in addition to incorporating the Group of 18 recommendations spelled out a modified budget process) contain numerous compromises. In the words of one participant, the result is a "judicious distribution of dissatisfaction."

So while it is clear on one level to say that the financial crisis drives the reform effort, it is important to note that only when a measure of ambiguity has been placed between the issues — that there is something less than a direct cause-effect relationship — has the context been created wherein agreement is possible. It is important because maintaining that measure of ambiguity is essential to preserving the atmosphere necessary for implementation of the reforms.

Financial Picture

Passage of GA/Res/41/213 has brightened prospects for the return

to nearly full payment of assessments by the United States,[1] but because that is not yet certain, the financial situation of the United Nations remains bleak. At the end of 1986 the total contributions outstanding to the United Nations' regular budget were $257.8 million (the United Nations has a 1986-87 biennial budget of approximately $1.7 billion) of which the United States owed $147 million. The US assessment for 1987 is $212.9 million bringing the total owed to $359.9 million. A bond offset $3.9 million leaving the United States owing $356 million.

At the time of this conference it was widely reported that the US administration would be asking Congress to restore UN funding to near full status for 1987. However, the amount of the budget asking was not known yet, and the extent to which arrearages would be addressed, if at all, was also uncertain. Furthermore, congressional response to the request was perhaps the biggest unknown.

Given the uncertainty of the US level of support for 1987, the Secretary-General has continued austerity measures initiated in 1986. These include a hiring freeze, cutbacks in meetings and documentation, reductions in travel, etc. Some participants said that the cutbacks have already reduced program outputs and harmed the work of the organization which, in turn, has real human consequences. Others, however, noted that a number of UN programs are "meaningless" and reducing the outputs in them is no loss. Still others thought some of both to be true — that is, good programs are being hurt along with the bad.

Much of the previously exhibited anger toward the United States for its withholding was absent from this meeting, but several participants made it clear that they believed withholding assessments by any nation is a flagrant violation of the Charter and an unacceptable practice regardless of how unhappy a member state is over the UN program. There was considerable support voiced for returning the organization to a more certain financial condition even if the amount of funding is reduced. Uncertainty, it was argued, causes dislocations that harm the organization and can even make it less efficient, thereby effecting the opposite result of those who withhold to improve efficiency. A minority view was put forward, however, which argued that uncertainty has been good for the United Nations, being responsible for trimming fat.

Noting that the reform program adopted in GA/Res/41/213 addressed only the expenditure side of the ledger and not the income part, several participants suggested that a thorough review

of UN financing, perhaps on the same scale as the G-18 study, might be appropriate. It could include a study of a major change in the scale of assessments and the desirability of some independent financing vehicles.

The only bright spot in the current financial picture is that the cash flow situation in early 1987 has been substantially better than in the past. This is because a number of major contributors other than the United States, as well as several middle income countries, have paid their assessments early. It was further expected that the more prompt payment by other major and mid-level contributing countries would continue, thereby leaving the United Nations' bank accounts in the black for at least the first three-fourths of 1987.

Purpose

While participants agreed that administrative and budgetary reform to improve the efficiency of the United Nations is a good idea, they repeatedly called attention to the need to articulate a vision for the organization and some far-reaching programmatic goals. Without a political consensus on goals, the reforms will take place in a vacuum.

In a positive sense, some participants believed that the current reform program is forcing a more fundamental reexamination of the United Nations' role in the world. Healthy as this may be, the task of implementing technical and structural changes while broad political direction is still being debated is awkward. In an ideal world, it was argued, the goals would be set first and the organization would follow. However, the press for administrative reform is on, and the best that can be hoped for now is that the process of reform will facilitate broader rethinking. Some other more doubtful participants expressed concern that the reform effort might simply turn into a technical fix designed to avoid confronting broad political problems.

In addition, there is suspicion among some developing countries about the motives of the major contributors in pushing for reform. They fear that the reform initiative is really an attempt to seize control of the organization's agenda and gain more political control of the organization thus thwarting the will of the majority. Several participants cautioned that they will be on guard to protect against what might be perceived as reshaping of the United Nations' program to serve the needs of the developed countries at the expense of the developing. Some called for "reform" of another kind — that is progress on the substantive concerns of many of the world's poorest nations.

There was also concern raised about a possible rush to reduce the number of controversial issues with which the United Nations deals. One way to get the broadest financial support, it was argued, is to keep as many countries as possible happy. However, the United Nations was created to deal with controversy, and the institution must be able to rely on the support (including financial) of its members even when some of those members are unhappy with the outcome of a controversy.

It was suggested that if the administrative performance and the budget adoption process are to be used as vehicles for setting and reevaluating organizational goals more than has been the case in the past, then there will have to be higher level political participation in those tasks than has typically occurred. It was noted, in this regard, that a high number of ambassadors became involved in the final stages of negotiating the reform resolution. That had a salutary effect on those negotiations and will have to continue if the budget and administrative review process is to have a more frankly political function.

The Reform Agenda

The political significance of GA/Res/41/213 lies in the fact that diverse interests were able to agree on a plan for reforming administrative and budgetary matters. The same spirit of compromise will be necessary to put the plan into action, the participants agreed.

The Planning and Budget Process

Throughout the development of the G-18 report and its review by the General Assembly, a series of bargains were struck. The deal which proved the most difficult to make, and which almost scrapped the whole negotiation, was over revising the planning and budget process. On the surface the changed process looks only modestly different from its predecessor, but participants noted that the undocumented agreement which lies behind the new procedures is the key compromise. The new process gives an expanded role to the twenty-one member Committee for Programme and Co-ordination (CPC) — a body which traditionally has operated by consensus and has involved the major powers.

If that agreement can be made to work, it holds the potential for beginning to bridge the gap which has been growing between major contributors and a numerical majority of members over how the United Nations' resources should be used. If the agreement dissolves, the United Nations' future will be more uncertain than ever. The participants here showed a clear willingness to make the new process work and a good amount of optimism about the prospects.

Medium-Term Plan. As in any large organization, it is often hard to determine where the planning process begins and where ideas are first put forward. For the United Nations it can be said that programs get their first breath of life from mandates passed by the General Assembly or other intergovernmental bodies. These mandates spell out the purpose of the program.

The first important planning document developed by the Secretariat is the medium-term plan. This is a document wherein program managers articulate program developments over the next six years. It is accompanied by an introduction in which the Secretary-General attempts to set out an overall direction for the organization's programs. It is widely perceived that the introductions have lacked clarity because Secretaries-General have often not wanted to offend any major political forces within the membership.

Under the new procedures the Secretary-General is encouraged to consult early with the CPC over the content of the medium-term plan introduction. If agreement is reached there on the broad concepts, the Secretary-General will factor those concepts into instructions for program managers so that their plans will be appropriately affected.

Budget Process. The most immediate planning document is the biennial budget. Until now the budget process has begun with instructions from the Secretary-General to program managers. They, in turn, produce the numbers which are compiled into the budget document. Under the new plan, this step will be preceded by CPC adoption by consensus of a total dollar amount for the budget. CPC is also to agree on a contingency fund — expressed as a percentage of the budget total — for absorbing any add-ons, that is, programs which the General Assembly approves after the budget has been developed. (Unrestrained use of add-ons has been a prime complaint of major contributing countries.)

After the total dollar amount has been set, the Secretary-General's budget instructions will go out to program managers. It is not clear yet whether the Secretary-General will be more aggressive than in the past in allocating amounts to program areas. Some participants urged boldness on his part in this priority-setting function; others stressed careful consultations with members to improve prospects for fairness.

Once the budget is assembled, it will be reviewed by CPC which has the authority to readjust priorities by shifting resources within the budget. Another major unresolved point is

whether CPC will only shift priorities between major sectors of programs (for example, the amount spent on disarmament versus social programs) or whether adjustments will be made at the individual program level. Several participants urged that CPC stick to the broad focus and that the process avoid judging individual programs which particular members may not favor. After review and adjustment by CPC the budget is approved by the Fifth Committee (Administrative and Budgetary) and by the General Assembly.

Unwritten Agreement. Through all of this process CPC will attempt to reach decisions by consensus. That gives the major powers more say in the content and size of the budget than has been the case before. However, GA/Res/41/213 provides that votes can be taken on the budget by any of the reviewing bodies. If that happens, it would be an assertion of the majority's position over the minority — almost certain to be major contributors.

Here then is the undocumented but clearly held understanding: if the major powers are unreasonable in withholding support for certain programs, the majority can resort to its voting power; conversely, if the majority is unreasonable and uses its voting power to pass a budget that is onerous to the major contributors, the new process will have collapsed and the major contributors are expected to resort to withholding.

Obviously, the standard here is reasonableness. Can this be made to work? The United Nations' intergovernmental bodies have traditionally struggled with setting priorities. Will members approach priority-setting reasonably under this new plan? When those questions were put to participants, most answered in the affirmative. Among the keys to holding the plan together are preserving the spirit of compromise which went into GA/Res/41/213 and the involvement of political decisionmakers in negotiating disagreements.

Study of the Intergovernmental Machinery

Compromise and political bargaining will also be necessary in carrying out a study on the intergovernmental bodies. Depending upon whom one asks, there are between one hundred and two hundred intergovernmental bodies in the economic and social fields. General Assembly resolution 41/213 calls for the Economic and Social Council to conduct an in-depth study of this intergovernmental structure to, *inter alia:*

— identify ways to simplify the intergovernmental structure,
— develop criteria for the establishment and duration of subsidiary bodies,

— define the responsibility of the various bodies, and
— strengthen the coordination of activities in the economic and social fields under the leadership of the Secretary-General.

The scope of the study is enormous. The objective is laudable — to eliminate, or at least reduce, duplication and repetition of goals, objectives, discussion, programs, and outputs.

Impediments. Participants acknowledged that those attempting to accomplish these various tasks will face numerous problems. Perhaps most fundamental is that there is no common view of the problem which the study seeks to address. Some see enormous overlap and duplication in the economic and social fields and would favor extensive reorganization to combine or eliminate some agencies. Others, with a more minimal view, call only for a slight fine tuning of the existing structure.

Certain immutable facts must be taken into account whichever view is held. It will be extremely difficult for 159 countries to agree on economic and social priorities. Additionally, the machinery in these areas is old and entrenched and is the result of certain member states' initiatives. Consequently, those nations may be unwilling to see them dismantled or subsumed into another organization.

Despite the fact that the task appears enormous and complex, participants viewed it as important work. They offered several suggestions to enhance the prospects of success. Participants warned that reform is doomed if each member state is determined to hold on to fiefs and allows blind preoccupation with national interests to preclude a vision of what is good for the organization as a whole. All concerned must be willing to make the reform of the intergovernmental bodies work — to compromise. There must also be a cooperative spirit on the part of those working for the various bodies. This becomes much more difficult when one considers the human costs in jobs lost or transfers required.

Member states say that they want efficiency and effectiveness in the intergovernmental bodies, yet moving that rhetoric to reality directly confronts past practices. Past reform efforts have often resulted in much study followed by the creation — not the elimination — of machinery. Participants urged that member states not examine the issue to death waiting for the "perfect" study, that they be willing to act — to take the steps to reduce at least obvious duplication and repetition.

Plan for Reorganization. During this process there will be opportunities for the Secretariat to provide ideas and suggestions for

the study. Several participants urged the Secretary-General to be brave and bold, to seize this opportunity for radical analyses and rethinking of what has been built up. Toward this end the Secretary-General was encouraged to put forward five or six very different plans for member states to consider. Such an approach would make the plans seem more neutral and not the suggestions of individual member states. All plans must be seen as fair and equitable, not as favoring one group of nations over another. There must be, as one participant reiterated, "an equitable distribution of dissatisfaction."

Specifically participants urged that the study:

1. Address the mandates of the intergovernmental bodies to see if they are still viable, needed, or relevant or if bodies might be eliminated or combined.
2. Consider requirement of a sunset clause when any new body is mandated so that agencies are only created to address a clear and specific objective and are dismantled when that task is completed.
3. Provide a mechanism to end or at least diminish repetitive discussions. Toward this end a cap on the total number of UN meetings was suggested. Each body could be allotted an equitable share of meetings which they could not exceed.

There was strong agreement that the action plan emanating from this study must assure that the real interests member states have in the economic and social areas can and will be preserved even as bodies are combined or eliminated. A second area of consensus was that there must be concrete, practical steps as a result of this study. If this study fails in that regard, participants feared that inertia will again step in and the reform impetus will end.

Reform of the Secretariat

The G-18 report calls for the structure of the Secretariat to be simplified; for clearer lines of authority, responsibility, accountability, and communication to be established; for improved coordination of the work of the departments, offices, and other units to avoid duplication; and for consolidation of UN offices located in the same cities and countries. Additionally, it prescribes a 15 percent reduction in the number of regular budget posts within the next three years and, during that same time frame, a 25 percent reduction in posts at the level of under-secretary-general or assistant secretary-general with a comparable reduction in posts at those levels funded from extra-budgetary sources. The report further suggests that the Secretary-General, as he implements these changes, be guided by such concerns as equitable geographical distribution, the need to avoid any negative effects on

implementation of programs, and the continuing need to recruit new staff, especially at the junior professional level.

These directives reflect the views held by many concerning the Secretariat. Its structure is seen as being top heavy and too complex. As a result, accountability, responsibility, and communication all suffer. The fragmentation of the structure (for example there are nine political and eleven economic and social departments) results in poor coordination and often duplication of work lowering the overall quality of output. It is a place where political considerations affect to an extraordinary degree not only which positions are held by nationals of which countries but also who gets promoted.

Many participants put forth a picture of what they would ideally like the Secretariat to be. It would be structured to reflect a bold vision of what the United Nations should be doing. Staffed by true international civil servants, it would be a place where junior level employees would be willing to take risks and act courageously because promotion would be a result of hard work and merit rather than political considerations. It would be a good place to work, where good work was done. It would operate largely without interference by member states.

Participants discussed at some length the reasons for the discrepancies between what is and the ideal. First of all, as one participant noted, "the United Nations is first, last, and always a political body." Even administrative decisions are seen as political. That explains why political pressure is applied in personnel matters. The number of people placed in the Secretariat is a way of showing national governments their influence in the United Nations. Because of the fact that people at high levels often fill their departments with a disproportionate number of nationals from their countries, the more people a country has in the Secretariat, the more power that country has. Another reason for the political pressure applied by member states is that countries bring their very real and immediate national interest to the United Nations. They do not brood over the direction and vision of the organization. They want results. Although this is a sign of the organization's vitality, it has, as noted, very real drawbacks.

Implementation of Reforms

Participants next discussed the methods for implementing the organizational restructuring and staff reductions. They noted that the G-18 report is rather general. It could result either in only minor tinkering or extensive reorganization of the Secretariat's structure. The Secretariat has grown as the intergovernmental

machinery has expanded. Both are now under review. Which reorganization should drive the other? Participants thought this was an excellent opportunity for the Secretary-General to act boldly and with imagination. By reflecting his agenda in the reorganized structure of the Secretariat, he could also have profound influence on the way the intergovernmental machinery is restructured.

Many participants thought attrition was the most likely means for achieving the 15 percent staff reductions mandated by the reform resolution. However, attrition does not allow for the removal of ineffective staff and has a negative effect on staff morale. Partly to address that concern and also to permit the hiring of new people at the junior levels, it is considered likely that reductions will exceed 15 percent and that methods in addition to attrition will be employed. Many thought this infusion of new ideas and thinking would help revitalize the organization. All of these steps will likely necessitate some reassigning of remaining staff which has the potential of provoking additional member state involvement. There was consensus, however, that if the Secretary-General's actions in this area were seen as an attempt to fulfill the 15 percent mandate and were perceived as being fair to all groups of nations, then member states would accept his actions with little objection.

Concern was expressed that because of the time constraints — the reorganization and staff cuts are to be completed by January 1, 1990 — that decisions will be made in a hasty, ad hoc manner. Participants thought the Secretary-General should use this chance to set forth his vision of what the United Nations should be attempting to accomplish and then structure the Secretariat and deploy the staff to accomplish that agenda.

Although that would be ideal, it seems unlikely. In addition to putting the reforms in place, the Secretariat must present and discuss the budgets for the 1988-89 and 1990-91 budgets, assist in the restructuring of the intergovernmental bodies, and continue its formidable schedule of ordinary functions. While the ideal situation does not exist, all thought it important to begin the reform process realizing that it would not be perfect or complete but only the beginning of what should be a continuing process.

Participants from the Secretariat urged member states to use restraint and give them an opportunity to get the reforms in place and operating before passing judgement on their value or instituting additional changes. As one participant noted, a gardener cannot keep pulling a plant up to check how the roots are doing, if the plant is to grow and prosper.

Secretary-General

The role of the Secretary-General received much attention during discussion. To many he was the key to the success of the reforms of the Secretariat. As previously noted, many want the Secretary-General to be bold and innovative and to set forth his agenda for the United Nations. As the chief executive officer, many argued that he has always had the power to instigate reforms such as these without the General Assembly's involvement. In fact, some thought that now it would be quite difficult for him to go beyond the scope of GA/Res/41/213. Others saw the resolution as giving him great latitude — a mandate to carry out the reforms in answer to member states who might wish to mitigate his changes.

In addition to being a strong leader, participants agreed the Secretary-General should be a highly capable administrator. One participant stated strongly that administration is the Secretary-General's first and foremost responsibility and that he should become involved only secondarily in political issues. Most, however, saw a very political role for the Secretary-General. In fact some participants argued that the Secretary-General should delegate many matters of administration including questions of personnel, thus freeing himself from much member state pressure and allowing more attention for political and economic concerns.

As one participant noted, rhetoric notwithstanding, member states want a strong leader and a strong administrator only as long as his actions do not negatively affect their national interest. Another participant said the role of the Secretary-General is the human equivalent of a UN consensus resolution. To be elected by 159 members, the Secretary-General candidate often must be one who "won't rock the boat" or make many waves. Yet after being elected he is somehow to transform into a strong, assertive leader.

Most agreed that the power is there for the taking. If the Secretary-General does not assert himself and take control of the organization, member states will step in. On the other hand, if the Secretary-General does set a course, member states will follow. This will require patience and persuasion on the Secretary-General's part because support and change happen slowly, but if his proposals appear equitable, member states will follow his lead.

Recommendations and Lessons Learned

At the direction of the chairman, participants considered what lessons or conclusions could be drawn from the events of the past eighteen months that might be helpful in future situations. This

list includes recommendations, conclusions, and lessons; one should not assume consensus or priority listing.

1. General Assembly resolution 41/213 does not mark the end of the crisis. In fact, these are only the early stages. Additionally, this is not the last crisis the United Nations will face. More will likely follow since the opening for withholding funds has now been widened.

2. It is important to be very clear about the scope of the reforms. These reforms are significant but only beginning steps. More will be needed.

3. Member states feel the organization is worth saving and can muster the political will to do so when necessary.

4. It is possible to find consensus and to agree to reforms if posturing is put aside so real negotiations can take place.

5. Member states realized that it was fruitless to think that the organization could be reshaped and changed to fit one nation's concept of what the organization should look like.

6. Member states should act on the basis of national interest, but also realize that the United Nations is more than the sum of its parts. Members must look beyond their purely national interests.

7. The United Nations no longer enjoys the loyal, nonquestioning constituency it once had. The constituency must be rebuilt through performance — relying on the hopes reflected in the Charter is not enough.

8. Public relations is a problem. The perception of the United Nations' performance is worse than reality. To address this situation the Department of Public Information must redeploy its efforts from outputs that serve member states to outputs that serve UN public relations needs.

9. The United Nations needs to reduce its vulnerability in the area of finance. Member states should begin thinking of the proper institutional forum to discuss issues related to UN financing, such as, the scale of assessments, core/noncore budget, self-financing, and other sources of financing.

Conclusion

Because it is said that the reform process is "just beginning," it might be tempting to view cynically what has already been achieved. Beginnings are important. In fact, beginning a task is often the hardest part of accomplishing it. It is yet to be seen whether beginning this reform effort will prove to have been the most difficult step for the United Nations or whether the greater difficulty lies in the implementation phase.

Furthermore, it is a bit misleading to say that reform has just

now begun. The United Nations has made previous efforts at administrative and budgetary reforms, although this attempt may be more far-reaching than some previous efforts. Past attempts have typically netted some positive results but have been found wanting in many other areas. It would not be surprising to have a similar outcome this time. In fact, only the naive would think that a grand scheme for lasting reform can be devised.

It may be appropriate to view this reform effort as something like a spider web. It is complex, at the same time both delicate and strong relative to the assigned purpose or the force applied to it. Spider webs work marvelously well for their intended purpose but can be destroyed by powerful forces that do not want them around. The spider's typical response is to build again. Ultimately, this UN reform effort is most important, not because it contains a perfect solution to administrative and budgetary problems, but because it represents a good-faith effort to try again.

Footnote

[1]There is virtually no prospect of return to true full payment of the US assessment. The compromise in GA/Res/41/213 addresses only the "new" withholding aimed at causing administrative and budgetary reform. At the very least, the United States can be expected to continue its long-standing practice of withholding for programs such as support of the Palestine Liberation Organization (PLO) which it finds objectionable.

Furthermore, there is a growing element of withholding not directed at the regular budget — that is, funding of peacekeeping activities. Separate congressional action has reduced US contributions to the United Nations Interim Forces in Lebanon (UNIFIL) which are situated in Southern Lebanon. Several participants noted that this withholding poses a grave threat to UN peacekeeping operations which the United States has historically found to be vital. The withholding, it was noted, is also being done in spite of recorded statements by the United States and Israel declaring the UNIFIL operation essential to the security of the area.

Chairman's Observations

Conference discussions confirm that the United Nations fiscal and budgetary impasse of one year ago has been broken. The atmosphere is healthy and this is conducive to successful implementation of the delicate administrative and budgetary reform package adopted in General Assembly Resolution 41/213.

Yet, the implementation task which still lies ahead is substantial. It is encouraging that there was broad agreement among conference participants on several critical points. First, they viewed the actions of the 41st General Assembly as only the beginning of reform. Second, while the revised budgetary processes are seen as a fragile compromise, the participants (who included a number of key actors in the process) displayed both a belief that they can work and a commitment to make them do so. Finally, there was broad agreement that continuing reform, while difficult, will result in a strengthened and more effective United Nations.

It seems to me that at least three actions are needed if the progress to date is to be the foundation for continuing and successful reform:

1. The United States entered the 1986 reform negotiations seeking a stronger voice in budgetary decisions and a greater effort at administrative reform. Both were achieved. Now it is time for the United States to make good on its end of the unwritten bargain — full payment of its assessment. Congress has a major role in this. As political beings, members of Congress should be able to appreciate the reform resolution as a delicate compromise between competing interests. They should be able to recognize that reform is gradual and progressive, not instantaneous. They should be keenly aware of the political necessity of the United States meeting its end of the agreement.
2. While conference participants were somewhat divided over whether the 1986 reform resolution would limit or strengthen the Secretary-General's hand as chief administrative officer, I believe that the Secretary-General should read Resolution 41/213 as a broad mandate to reform and act boldly to implement the changes he sees as necessary to improve administrative practices. Further, the new budget process with its ceiling on expenditures offers a significant opportunity for the Secretary-General to exercise leadership in suggesting priority areas in his instructions to program managers. This, too, should be pursued boldly.

3. A long-term vision of the role of the United Nations is urgently needed to give the reform process both meaning and direction and to form a basis for revitalization. Such a vision will need the consensus approval of member states, but member states, the Secretary-General, and others should constructively propose suggestions for its key elements. The Stanley Foundation intends to continue its work in this area.

The impasse has been broken and the result is new opportunity for reform and revitalization of the United Nations. The challenge for all concerned is to seize and build upon this new opportunity.

Stanley Foundation Publications

The US and the Future of Pacific Security, The Soviet Economy and US Policy, US Policy Toward Mexico, The Nonproliferation Regime and the Problem Countries: Bridging the Gap, Twenty-Seventh Strategy for Peace Conference Report. October, 1986, 64 pp.

US Policy and Radical Regimes, Report of a Vantage Conference. September, 1986, 28 pp.

The United Nations: Mission and Management, Report of the Twenty-First United Nations of the Next Decade Conference. June 1986, 32 pp.

Redefining Arms Control, Report of a Vantage Conference. May 1986, 28 pp.

US Policy Toward the Philippines After Marcos, Policy Paper 37. Richard J. Kessler, June 1986, 24 pp.

The US Role in Southern Africa's Future; The United States, The United Nations, and the Future; Economic Pluralism and Development; Soviet Leadership: Changes and Challenges. Twenty-Sixth Strategy for Peace Conference Report. October 1985, 64 pp.

Arms Control and the Strategic Defense Initiative: Three Perspectives, Occasional Paper 36. Jerry F. Hough, Stanley R. Sloan, Paul C. Warnke and David Linebaugh. October 1985, 32 pp.

Rethinking the North-South Relationship, Report of the Twentieth United Nations of the Next Decade Conference. June 1985, 40 pp.

The United Nations' Impact on International Relations, Report of a Vantage Conference. May 1985, 24 pp. Also available in an abridged form, **The First Forty Years: A Critique of the United Nations,** 12 pp.

The North-South Negotiating Process, Report of the Sixteenth United Nations Issues Conference. February 1985, 24 pp.

US Interests and the Global Environment, Occasional Paper 35. Lynton K. Caldwell. February 1985, 28 pp.

US-Soviet Competition in the Third World, Space Weapons and Arms Control, Objectives of US Economic and Security Assistance, The United States and UNESCO, Twenty-Fifth Strategy for Peace Conference Report. October 1984, 64 pp.

Single copies are available free. There is a small postage and handling charge for multiple copies or bulk orders. For more information contact the publications manager.

The Stanley Foundation
420 East Third Street
Muscatine, Iowa 52761
Telephone 319/264-1500

Stanley Foundation Activities

The Stanley Foundation encourages study, research, and discussion of international issues contributing to a secure peace with freedom and justice. Programming reflects founder C. Maxwell Stanley's long-time concern for global security. Stanley Foundation activities include:

Conferences on US foreign policy and issues related to international organization are conducted each year. Small groups of foreign policy professionals from widely divergent backgrounds are invited to frank exchanges on some of the world's most contentious and significant issues. The resulting conference reports are widely distributed nationally and internationally.

Educational Seminars for US congressional staff members are convened annually at the United Nations and in the Washington, DC, area. The sessions focus on issues important to the United Nations and the United States.

Policy Papers, original essays on international issues, are published periodically and distributed nationally and internationally. Papers present practical initiatives, options, or strategies for US foreign policy or international organizations.

World Press Review, a monthly magazine based in New York City, features excerpts from the press outside the United States and interviews with prominent international specialists on a wide range of issues.

Common Ground, a radio series on world affairs, is aired weekly nationwide. Programs feature US and foreign experts discussing political, economic, military, or social aspects of international and US foreign policy issues. Cassette recordings are available for purchase.

The Midwest Program and Educator Support help regional groups promote global awareness and citizen involvement in peace and security issues. Planning assistance and program resources are available to schools, churches, professional and service groups, and other nonprofit organizations.

The Stanley Foundation, a private operating foundation, does not provide grants. A resource list is available.